

Message Text

LIMITED OFFICIAL USE

PAGE 01 MOSCOW 03980 161807Z

15

ACTION EUR-12

INFO OCT-01 ISO-00 EB-07 /020 W
----- 034407

R 161512Z MAR 76
FM AMEMBASSY MOSCOW
TO SECSTATE WASHDC 1243
INFO USDOC WASHDC

LIMITED OFFICIAL USE MOSCOW 3980

USDOC FOR BEWT/TDAD AND MARAD

E.O. 11652: N/A
TAGS: ETRD, UR, US
SUBJ: OCCIDENTAL PETROLEUM'S SOVIET PROJECTS

REF: 75 MOSCOW 4556

1. DURING CALL ON AMBASSADOR MARCH 16 ADMIRAL TAZEWELL SHEPARD OF OCCIDENTAL PETROLEUM EXPLAINED THAT COMPANY IS PRESENTLY SEEKING PRECISE DATA FROM SOVIETS REGARDING AMMONIA AVAILABILITY ANTICIPATED IN 1978 AND SPECIFIC LOADING/LANDING ARRANGEMENTS TO BE COMPLETED WITHIN NEXT TWO YEARS IN ORDER TO PLAN INITIAL SHIPMENTS OF AMMONIA/SUPERPHOSPHORIC ACID CALLED FOR BY COMPANY'S LONG-TERM AGREEMENT. ACCORDING TO SHEPARD, OXY EXPECTS INFORMATION TO BE OBTAINED WITHIN NEXT WEEK OR SO WILL PERMIT NEGOTIATIONS ON FERTILIZER PRICES AND WILL ALSO FACILITATE UNRAVELLING OF SHIPPING QUESTION.

2. PRESENT TERMS OF AGREEMENT REQUIRE SOVIETS TO PROVIDE AMMONIA TO COMPANY FOB ODESSA AND TO PURCHASE SUPERPHOSPHORIC ACID CIF, THUS OBLIGING OXY TO TAKE CARE OF SHIPPING ARRANGEMENTS. OXY, IN VIEW OF RATHER UNHAPPY EXPERIENCE WITH TANKER OPERATIONS HOWEVER, IS HAVING SECOND THOUGHTS ABOUT THIS AND IS CONTEMPLATING ACCEDING TO LONG STANDING SOVIET PROPOSAL FOR JOINT VENTURE IN TANKER OPERATIONS. WHILE SHEPARD NOTED THAT DETAILS OF ANY SUCH JOINT VENTURE REMAINED TO BE DETERMINED, SOME SORT OF MIXED COMPANY WHICH WOULD EITHER PURCHASE OR LEASE TANKERS FOR OPERATION UNDER
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 MOSCOW 03980 161807Z

U.S. OR THIRD-COUNTRY FLAG NOW APPEARS TO BE MOST PRACTICAL AR-

RANGEMENT (SINCE JACKSONVILLE IS NOT AMONG 40 U.S. PORTS OPEN TO SOVIET FLAG VESSELS).

3. ALTHOUGH OXY INVESTED ABOUT DOLS. 500,000 IN DESIGNS FOR A TANKER CAPABLE OF CARRYING BOTH AMMONIA (WHICH IS TRANSPORTED AT MINUS 28 DEGREES FAHRENHEIT) AND SUPERPHOPHORIC ACID (TRANSPORTED AT 150-180 DEGREES FAHRENHEIT), WORLD SHIPPING GLUT NOW INCLINES COMPANY TO LOOK FOR SUITABLE SHIPS AMONG EXISTING FLEETS. PRELIMINARY CONDITION TO ANY SUCH ARRANGEMENT WILL BE AMEND MENT TO GENERAL AGREEMENT IN ORDER TO CHANGE FOB/CIF PROVISION, SOMETHING OXY HAS NOT YET EXPLORED WITH SOVIETS.

4. CONSTRUCTION OF INTERNATIONAL TRADE CENTER IS AGAIN PROGRESSEING AFTER SHOWDOWN LATE LAST WEEK, WHEN SOVIET INTRANSIGENCE ON IMPLEMENTATION OF CONTRACT PROVISIONS BROUGHT PROJECT TO VERGE OF STANDSTILL.
STOESSEL

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: NATURAL GAS, PROGRAMS (PROJECTS)
Control Number: n/a
Copy: SINGLE
Draft Date: 16 MAR 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: coburnhl
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976MOSCOW03980
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760099-0983
From: MOSCOW
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760357/aaaabxph.tel
Line Count: 78
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 76 MOSCOW 4556
Review Action: RELEASED, APPROVED
Review Authority: coburnhl
Review Comment: n/a
Review Content Flags:
Review Date: 06 MAY 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <06 MAY 2004 by CunninFX>; APPROVED <31 AUG 2004 by coburnhl>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: OCCIDENTAL PETROLEUM'S SOVIET PROJECTS
TAGS: ETRD, ENRG, EEWT, UR, US, OCCIDENTAL PETROLEUM
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006